



City of Loma Linda Official Report

Robert Ziprick, Chairman
Stan Brauer, Vice Chairman
Robert Christman, Board Member
Floyd Petersen, Board Member
Karen Hansberger, Board Member

CRA AGENDA: March 8, 2005
TO: Agency Board Members
VIA: Dennis R. Halloway, Executive Director
FROM: Pamela Byrnes-O'Camb, Secretary
SUBJECT: CRA Bill #R-2005-05 – Agency participation in First Time Homebuyer Program relating to 25400 Durango Loop

RECOMMENDATION

It is recommended that the Agency Board adopt CRA Bill #R-2005-05 and authorize the Executive Director to approve documents to facilitate transfer of property known as 25400 Durango Loop from seller (Otto & Candelaria Chavez) to conforming buyer (Elba Sabino) and homebuyer loan agreement between the Agency and the buyer

BACKGROUND

On February 8, 2005, the Agency Board authorized acquisition of 25400 Durango Loop by the Agency to facilitate the Agency's affordable housing goals within the North Central Neighborhood and to retain the long-term affordability covenant.

In the meantime, a conforming buyer has been approved for participation in the Agency's First Time Homebuyer Program and has also been approved for first mortgage financing to purchase the subject house.

The two major documents identified in the accompanying resolution, and which would be approved under the staff recommendation, are: (i) an amended purchase agreement by and among the Agency, Elba Sabino (as Buyer) and Otto G. and Candelaria Chavez (as Seller) and (ii) a Homebuyer Loan Agreement by and between the Agency and Elba Sabino.

ANALYSIS

The actions as approved will accommodate a sale by the current owners (Otto G. and Candelaria Chavez) at a price consistent with the affordable housing restrictions of record and included in the Agency's earlier agreement with Mr. and Mrs. Chavez and will facilitate their sale of the subject property to Elba Sabino at affordable housing cost. Ms. Sabino qualifies under the income restrictions in place concerning the subject property.

ENVIRONMENTAL

Not applicable.

FINANCIAL IMPACT

Account No. 79-1800-1980 \$20,000.00 plus/minus

Attachments: CRA Bill #R-2005-05

RESOLUTION NO. _____

A RESOLUTION OF THE LOMA LINDA REDEVELOPMENT AGENCY
APPROVING AND AUTHORIZING THE EXECUTION OF A
HOMEBUYER LOAN AGREEMENT WITH ELBA SABINO, A
PURCHASE AND SALE AGREEMENT WITH ELBA SABINO, OTTO
CHAVEZ AND CANDELARIA CHAVEZ AND RELATED ACTIONS

WHEREAS, the Loma Linda Redevelopment Agency (the "Agency") is engaged in activities necessary to carry out and implement the Redevelopment Plan for the Loma Linda Redevelopment Project (the "Redevelopment Project") and the merged redevelopment project area ("Project Area") established thereby; and

WHEREAS, in order to carry out and implement such Redevelopment Plan the Agency proposes to enter into that certain Purchase and Sale Agreement and Joint Escrow Instructions substantially in the form submitted herewith (the "Purchase Agreement") with Otto Chavez and Candelaria Chavez, husband and wife (collectively, the "Owner") and Elba Sabino ("Buyer") for the sale by Owner and the acquisition of certain property located at 25400 Durango Loop, Loma Linda (the "Property") by Buyer (and, if Buyer is unable to coordinate the acquisition of the Property, then the Agency), all as more particularly set forth in the Purchase Agreement; and

WHEREAS, the Homebuyer Loan Agreement where the Buyer in the form submitted herewith (the "Homebuyer Loan Agreement") implements the affordable housing goals and policies of the Agency, as Buyer has a qualifying income in conformity with covenants recorded as to the Property and a "Certificate" to be recorded as to the Property in the event the Buyer purchases the Property under the Purchase Agreement; and

WHEREAS, the Agency has duly considered the terms and conditions of each of the Purchase Agreement and the Homebuyer Loan Agreement, and desires to approve the Purchase Agreement and the Homebuyer Loan Agreement and authorize the acquisition of the Property by Agency under the terms of the Purchase Agreement in the event Buyer does not acquire the Property; and

WHEREAS, the acquisition of the Property under the Purchase Agreement and the implementation of each of the Purchase Agreement and the Homebuyer Loan Agreement will assist in the implementation of the Redevelopment Plan; and

WHEREAS, all actions required by all applicable law with respect to the proposed Agreement have been taken in an appropriate and timely manner; and

WHEREAS, the Agency has duly considered all of the terms and conditions of each of the proposed Purchase Agreement and the proposed Homebuyer Loan Agreement and believes that each of the Purchase Agreement and the Homebuyer Loan Agreement and their implementation are in the best interests of the Agency as well as the City of Loma Linda and the health, safety, and welfare of its residents, and in accord with the public purposes and provisions of applicable state and local laws and requirements.

NOW, THEREFORE, BE IT RESOLVED by the Loma Linda Redevelopment Agency as follows:

1. The Agency hereby approves the Purchase Agreement and the Homebuyer Loan Agreement and authorizes and directs the Executive Director of the Agency to execute each of the Purchase Agreement and the Homebuyer Loan Agreement on behalf of the Agency, and to execute the deed acceptance thereunder on behalf of the Agency.

2. The Agency additionally authorizes the Executive Director to take such actions as are necessary or convenient to implement the Agreement and the Homebuyer Loan Agreement, including without limitation the execution of escrow documents and other documents as reviewed by Agency legal counsel and which are necessary or appropriate to carry out the Purchase Agreement and the Homebuyer Loan Agreement.

3. The Agency authorizes and approves the payment of such moneys and provision of other consideration as are provided for under the Purchase Agreement and the Homebuyer Loan Agreement.

4. The Agency Secretary shall certify to the adoption of this Resolution.

The foregoing Resolution is hereby approved this 8th day of March 2005 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

Robert Ziprick, Chairman

ATTEST:

Pamela Byrnes-O'Camb
Agency Secretary